

Assistance Business Incubator INISIASI for MSME Actors in Salatiga City

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Abstract

This community service program aims to support the development of Micro, Small, and Medium Enterprises (MSMEs) in Salatiga City through the assistance of the Initiation Business Incubator. This program is designed to help MSME players overcome various challenges, such as limited capital, market access, and managerial knowledge. Mentoring is carried out through a series of entrepreneurship training, mentoring, and facilitation of access to relevant resources. Involving 20 MSMEs from various sectors, this program succeeded in increasing their capacity in business management, product innovation, and marketing strategies. The evaluation of the program showed a significant improvement in the managerial skills and competitiveness of the MSMEs accompanied. This program is expected to contribute to local economic growth and strengthen the business ecosystem in Salatiga City.

Keywords: Training; Business Incubator; Salatiga

Introduction

Micro, Small, and Medium Enterprises (MSMEs) have a strategic role in Indonesia's economy, especially in creating jobs and encouraging economic growth. In Salatiga City, MSMEs are one of the main pillars in supporting the local economy, with various sectors such as food and beverages, handicrafts, and services being the mainstay (Al Farisi et al., 2022). However, the challenges faced by MSME actors in Salatiga are not few. They are often faced with the problem of limited capital, low access to technology and information, and lack of managerial knowledge and effective marketing. This challenge is increasingly felt by the existence of fierce competition both from within and outside the region (Setiyono & Sutrimah, 2016).

To face these challenges, structured mentoring and coaching are very important for the sustainability and development of MSMEs. One of the solutions that has been implemented in various regions is the establishment of a business incubator that can be a forum for MSMEs to get guidance, training, and access to the necessary resources. This is where the important role of the INISIASI Business Incubator comes in, which is specifically designed to help MSMEs in Salatiga overcome various obstacles and maximize their potential.

The INISIASI Business Incubator aims to provide intensive assistance to MSME actors in Salatiga City through a series of programs that include entrepreneurship training, access to capital, business mentoring, and market network facilitation. This assistance is expected to have a positive impact not only on the MSMEs involved, but also on the local economy as a whole. This program is carried out with a participatory approach, where MSME actors are invited to play an active role in every stage of the coaching process, starting from problem identification, strategy development, to solution implementation. However, the success of this mentoring program cannot be achieved without a comprehensive study of the initial condition of MSME actors, their needs, and the challenges they face. Therefore, this community service activity begins with an initial survey and in-depth needs analysis. The results of this survey are then used to design specific mentoring programs, in accordance with the characteristics and needs of MSMEs in Salatiga. In addition, it is important to note that the development of MSMEs does not only depend on the internal efforts of business actors, but also requires support from various parties, including the government, academics, and the private sector. This synergy between various parties is the key to the success of business incubators in creating a business ecosystem that is conducive to MSMEs. The INISIASI Business Incubator is expected to be a model that inspires cross-sector collaboration to support the sustainability and growth of MSMEs in other regions.

The mentoring process carried out by the INISIASI Business Incubator, evaluates the effectiveness of the program, and provides recommendations for further development. The main focus of this study is how incubators can significantly contribute to increasing the capacity and competitiveness of MSMEs in Salatiga City, as well as what challenges must be faced in the process.

The Initiation Business incubator assistance offers a number of significant benefits for Salatiga City MSME participants from various backgrounds. Some of the key benefits include (Shaliza & Hasanah, 2024)

Increased Skills and Knowledge: MSME actors receive comprehensive training on various aspects of entrepreneurship, such as financial management, marketing, product development, and business strategy. This helps them improve the skills and knowledge necessary to manage their businesses more effectively.

Access to Networks and Markets: Business incubators often have extensive networks with various stakeholders, such as investors, suppliers, and other business partners. MSME players can take advantage of this network to expand their markets, gain new customers, and build strategic partnerships.

Financial Management: MSME actors are also guided in better financial management, such as cash flow management, budget planning, and financial reporting, all of which are important for business sustainability.

Managerial Capacity Building: Through mentoring programs, MSME actors receive direct guidance from experienced experts and business practitioners. This helps them hone their managerial skills and strategic decision-making.

Business Improvement: Business incubators help MSME actors in developing better and realistic business plans, which serve as a guide in managing businesses and achieving long-term goals.

With these various benefits, business incubator assistance in Salatiga City can be an important catalyst in encouraging the growth and sustainability of MSMEs, which ultimately contributes to strengthening the local economy and the welfare of the local community.

Analyzing the situation of assisting MSME business incubators, it is important to consider the specific needs and context of each MSME actor. More directed, the ability of MSME actors can be developed to the maximum, able to plan future MSME business development because what MSME actors want in developing their business, has begun to be directed.

The analysis of the situation depends on the target MSME actors. The analysis can be in the form of a description of all problems faced by the partner community from social, cultural, religious, health, service quality or community life aspects. It can also be in the form of potential and business opportunities of partner communities from the aspects of resources, production and business management. By referring to the situation analysis, determine priority problems for partner communities that are specific, concrete and really are priority problems of partner communities. Describe the science and technology/goods/services offered to solve partner problems and work procedures to support the realization of the solutions offered. Describe activities that show steps to solve problems and outline how partners participate in the implementation of activities.

The main problem faced by partners is the lack of competence of MSME actors in developing and managing their businesses. From these main problems, we break down the problems that are of concern to us to be able to realize the expectations of our partners that have not been implemented as follows: Utilization of social networks/networking. Existing human resources still do not have adequate competence in managing and developing their business the quantity and quality of incompetent human resources and the lack of direct assistance from academics, practitioners and mentoring from Bappeda Salatiga are also our concerns in formulating partner problems.

Through this community service, it is hoped that it can increase the knowledge and skills of MSME actors in developing their businesses, especially in managing businesses, developing social networks and managing businesses. The output target in this activity is expected to be published articles in non-accredited national journals so that it can be useful as evaluation material for service members. For large readers, I hope it can be used as a reference in increasing insights, increasing knowledge and providing inspiration in doing community service, especially in the field of business development and HR competence.

Implementation And Methods

The implementation methods used to overcome partner problems are as follows:

1. Socialization.

Target: Salatiga City MSME Actors.

Material: Pedagogical Competence, Social Network Management.

Date: May 2024.

- Place: Banyoe Angkringan, Jl. H. Ilyas No.23, Pulutan, Sidorejo District, Salatiga City, Central Java 50773.
Target indicator: Knowledge of MSME actors in managing Social Networks well.
2. Mentoring.
Target: Salatiga City MSME Actors.
Material: Business and business management.
Date: May 2024.
Place: Banyoe Angkringan, Jl. H. Ilyas No.23, Pulutan, Sidorejo District, Salatiga City, Central Java 50773.
Target indicator: Knowledge of MSME actors in managing their businesses and businesses well.
 3. Construction.
Target: Salatiga City MSME Actors.
Material: Business and business management.
Date: May 2024.
Place: Banyoe Angkringan, Jl. H. Ilyas No.23, Pulutan, Sidorejo District, Salatiga City, Central Java 50773.
Target indicator: Knowledge of MSME actors in managing their businesses and businesses well.
 4. Monitoring.
Target: Salatiga City MSME Actors.
Material: The implementation of all activities that have been planned.
Date: May 2024.
Place: Banyoe Angkringan, Jl. H. Ilyas No.23, Pulutan, Sidorejo District, Salatiga City, Central Java 50773.
Target indicator: Becoming a highly competitive MSME actor.

Results And Discussion

The implementation of the training program is considered to bring considerable benefits to MSME actors in Salatiga City, especially when it is linked to increasing their business productivity. The business incubator program aims to improve the quality of MSME actors, which is carried out in stages, which will later achieve human resources that are in accordance with the expectations of the implementation of training and mentoring programs (Wahyuningsih, 2019).

Training is a series of actions or efforts that are carried out in a continuous, gradual, and integrated manner, which are interrelated starting from the planning, implementation, to evaluation stages (Nurlia, 2021). Increasing the ability and expertise for human resources or MSME actors will have an impact on application in the real world. Therefore, this form of business incubator assistance is intended to improve the mastery of various skills and techniques for implementing certain performance, detailed and routine, so that the desired result is mastery or skill improvement (Wahyuningsih, 2019).

This time community service, we are coaching by providing understanding and assistance to MSME actors. The first session was a lecture on the meaning of Social Networks, Management and Improvement of MSME Business Performance.



Picture 1. Networking Explained.

After the explanation, the next thing is practice and direct discussion with MSME actors.



Picture 2. Direct Discussion and Mentoring of MSME Actors.

With careful preparation, the practice of managing and improving the MSME business in Salatiga City will be more structured and the results obtained will be more accurate and accountable.



Picture 3. Group photo after the activity.

In a teaching and learning process, two very important elements are teaching methods and learning media. These two aspects are interrelated. The selection of one particular teaching method will affect the appropriate type of learning media, although it will affect the appropriate type of learning media, although there are still various other aspects that must be considered in choosing media, including learning objectives, types of tasks and responses that students are expected to master after learning takes place, and learning contexts including student characteristics. However, it can be said that one of the main functions of learning media is as a teaching aid that is arranged and created by teachers (Mardi, 2021).

Thus, in the process of learning, managing and improving the MSME business in Salatiga City, a special approach is needed, with periodic mentoring, so that MSME actors can practice every knowledge gained during the mentoring process, to be applied directly in the real world (Fauzi, Ariani, & Rachmawati, 2022).

At the end of the monitoring and evaluation activities, the community service team felt happy because the feedback shown by the participants, namely Salatiga City MSME actors, was able to receive well the material and training provided which was shown by the enthusiasm of the participants who carried out direct practice, the improvement of knowledge and competence, as well as the results of the questionnaire distributed by the service team. Overall, the implementation of this community service program has been carried out well.

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